

Retailers are increasingly requesting that their suppliers synchronize data with them through the Global Data Synchronisation Network (GDSN). Suppliers that synchronise data with their trading partners save costs through efficiencies in logistics, accounting and inventory. They are also able to boost sales by introducing new products to the market faster.

Data synchronisation is also a foundation for electronic collaborative commerce initiatives such as the Electronic Product Code™ (EPC) Radio Frequency Identification (RFID). The EPCglobal Network™ relies on the accurate data exchanged through global data synchronization.

Case Study: Gillette

Before data synchronisation, Gillette Venezuela was spending a great deal of time reconciling price and product data discrepancies with trading partners. After data synchronisation, Gillette experienced significant benefits:

- Obsolete orders were eliminated. Before data synchronisation, 37% of Gillette items in trading partner databases were obsolete.
- Time to reconcile purchase orders was reduced from 10-30 minutes to 4-5 minutes per order.

Case Study: Unilever

Unilever Columbia improved new item speed to market by aligning product information for 1,200 items with its retailer trading partners.

- New items reached the sales floor 2-3 weeks faster than before data synchronisation.
- Product and pricing inconsistencies were reduced.

Case Study: Johnson & Johnson

Through a data synchronisation initiative involving 1,300 products in 75 categories, Johnson & Johnson was able to:

- Reduce out-of-stocks at Wal-Mart U.S. by 2.5%.
- Shorten item set up times from an average of 10 days to 2 days.
- Decrease item maintenance time from 10 days to less than 24 hours.
- Eliminate data integrity-related deductions.

"Along with RFID, GDS is one of the greatest opportunities for collaboration throughout the value network that should be rapidly adopted by manufacturers and retailers. The benefits are well worth the costs."

Mike Haas, Group Chief Information Officer,
Consumer & Personal Care Group, Johnson & Johnson

Supplier Benefits*

GDSN benefits for supply-side companies include:

Corporate Management

- Simplify corporate reporting
- Expand geographic retailer base
- Eliminate IT system redundancy
- Create an opportunity for shared services

Category/Promotion Management

- Improve visibility for stock-level planning
- Maximize retail exposure/product posting
- Reduce time spent addressing complaints/disputes
- Simplify and enhance category reporting
- Reduce product introduction lead time
- Reduce product promotion lead time

Administrative Data Handling

- Eliminate need for cross-reference tables
- Decrease invoice disputes
- Reduce write-offs
- Reduce accounts receivable
- Encounter fewer sales order defects

Logistics

- Simplify order tracking and tracing
- Reduce return shipments
- Improve percentage of perfect orders
- Encounter fewer emergency orders
- Improve accurate picking
- Optimize short-term planning

*Source: Capgemini Ernst & Young

For more information on the benefits of the GDSN, visit www.gs1.org/gdsn

